

## Work in the Agro-industry, Livelihoods and Social Reproduction in Mozambique: Beyond Job Creation

Rosimina Ali and Sara Stevano

### Introduction

Over the last five years the policy focus has been on job creation in Mozambique, but much less attention has been paid to the interrelations of wage labour and social reproduction in the context of low-wage casualised employment, high turn-over of the labour force and poor public provisioning. Important questions emerge as to whether job creation entails the destruction of livelihoods. This IDeIAS bulletin brings a complementary dimension to the IDeIAS n° 117 on work in the Mozambican agro-industry by taking a social reproduction perspective to understand the organisation of wage labour, its tensions and linkages besides the workplace, and how it is embedded in workers' lives. The dynamics of social reproduction in rural southern Africa are fundamental but remain overlooked (Cousins et al., 2018). The analysis draws upon data from interviews with cashew processing and forest plantations workers and households in Gaza (2018-2019) and Niassa (2014-2016). We argue that well-being is not limited to having a job and receiving a wage, in fact livelihoods and well-being may be endangered by having a low-paid job and having to work multiple precarious jobs. In the current narrow pattern of growth in Mozambique, a diverse range of work enables the reproduction of human life, labour power and capital. Unless the co-constitutive interrelations between production and reproduction are understood and addressed, the fragmentation of livelihoods will lead to a crisis of social reproduction and of the accumulation system.

### Labour linkages, socioeconomic structures and reproduction: yesterday, today and tomorrow

The current highly concentrated productive structures in natural resources and primary commodities for export, with weak or no linkages with other sectors of the economy, are unable to generate regular, stable and secure work opportunities (CNCB, 2010; Ali, 2018). Historically, work structures and labour markets have been multiple and interconnected as working people have had to shoulder the responsibility for social reproduction (O'Laughlin, 1981; Oya et al., 2009). We need to understand employment patterns and the organisation of work as embedded in the prevailing productive structures of the economy and as interdependent with reproductive work.

### Who are the workers?

Employment has been assumed as an automatic channel to reduce poverty in Mozambique. However, having a 'formal' job does not mean to have a 'good' job in terms of pay, working conditions and job security (Stevano and Ali, 2019). In fact, the distinction between formal and informal jobs is far more complex than often assumed, but this debate is beyond the scope of this brief. Irregular, unstable and poor working conditions push workers to engage in other types of work, both paid and unpaid, farm and off-farm - a practice that allows the sustenance of the labour force and its availability at a low cost for capital. In the interviews with workers in the cashew-processing industry and forest plantations, it emerged that many pursue other forms of *biscato* (casual piece-rate wage work), *negocio* (cash-earning activity), and farming for own consumption or sale.



Figure 1: Interdependence of wage and reproductive work through money flows

Figure 1 outlines the interdependent nature of various forms of work, debt management and saving practices, in which wage work in the agro-industry is embedded. From these interconnections, two important insights emerge: first, wage work in the agro-industry cannot be understood in isolation from other types of work and money flows; second, a crisis in one of these domains triggers effects on others, with the potential to impact individual and household well-being. An example is provided by the

crises that unfolded in the early years after Mozambique's Independence (1975-77), when the crisis of wage labour led to a crisis in family food production (for consumption and for the market) and, in turn, the food crisis exacerbated the crisis in wage work through the weak purchasing power of salaried workers (O'Laughlin, 1981; Wuyts, 1981).

Capital does not reproduce labour power, households are responsible for social reproduction in Mozambique. Wage work continues to be reliant on household production as it ensures cheap labour, as discussed by Wolpe (1972) for South Africa. Income from wage work enables agro-industry workers to: (i) finance consumption of wage goods, (ii) partly release food production to the market; (iii) have an investment base (in alternative productive activities, including the financing of own farm) and (iv) respond to shocks. Family production subsidises the low wages paid, by feeding and nurturing the workforce, especially in periods of employment shortages. Similarly, wages allow for the funding of small-businesses, which in turn, subsidise low and irregular pay. Informal savings groups, such as *Xitique*, facilitate access to cash and provide a social safety net in case of unexpected events (eg. accidents, fires, deaths, floods).

A striking aspect is that many workers interviewed in both sectors pointed out that, given the low real wages, they resort to debt to buy wage goods or borrow money from neighbours, friends, colleagues, local shops and their employer to cope with the living costs. Some workers appear to be trapped in debt cycles where the receipt of the salary serves the primary purpose of repaying the debts accumulated previously. Some forest plantation workers in Naconda and in Mussa (Niassa province), expressed frustration and preoccupation at the necessity to repay their debts: "...we are working to pay debts<sup>1</sup>..." and "I am tired of working to pay debts<sup>2</sup>". A worker in the cashew-processing factory explained that, in the month before the interview, she had to buy two cooking pans, clothing for her toddler and a *capulana* (garment used by women) on credit and then used her salary to repay the debts incurred<sup>3</sup>. Other workers who said that they did not have any debt were fearful of accumulating debt as they do not know if they will be able to repay it. These debt

<sup>1</sup>Interview with plantation worker, Naconda, 11th December 2014.

<sup>2</sup>Interview with former plantation worker, Mussa, 13th December 2014.

<sup>3</sup>Interview with cashew-processing factory worker, 9th November 2019.

dynamics compound and are compounded by the lack of stable employment and high living costs.

### **What are the causes of absenteeism?**

Agro-industry workers (both in plantations and factories) are not only agro-industry workers, they often have multiple occupations, different life experiences, household organisation and socioeconomic backgrounds. Wage work intervenes in these complex and differentiated livelihoods in different ways, shaping processes of social differentiation among workers and their families. Yet, the context of low-paid and precarious work alongside scarce public provisioning creates common problems and tensions for the agro-industry workers who, as it has emerged from the interviews we conducted, are concerned with intensification of work, time poverty and tiredness. Employers and the government display preoccupation with high absenteeism and its negative effects on productivity, usually associating the problem of absenteeism with the lack of work culture, indiscipline and laziness. On the other hand, trade-unions tend to focus on working conditions at work, but do not link these to the everyday organisation of life across various types of paid and unpaid work.

In both sectors many workers reported the lack of time to perform the same activities they used to do before they were employed in the agro-industry. For example, women workers complained about the lack of time to carry out domestic work and child care, both female and male workers reported time constraints to their ability to run small-business, to work in their own 'machamba' (farm), mostly in Niassa, and to perform other casual work. The lack of time is exacerbated by low income, in particular insufficient earnings to hire workers to carry out agricultural and domestic work, as seen in other parts of Mozambique (Stevano, 2019).

A closer examination of the workers' everyday lives reveals that the 'lack of work culture' is certainly not the reason for high levels of absenteeism in the agro-industry. In forestry plantations, many workers face an overlap between wage labour and other work, such as farming family's land mostly in the rainy season, which is the peak planting period for the seedlings in the plantations but also that for sowing on the family farms (Ali, 2017). If they cannot hire labourers, workers face a decision: whether they should work on the forestry plantations for a low wage or on their farm. Farming own or family's land is a source of food for family's consumption and, at times, an additional source of income through sale of agricultural produce. Based on the interviews with workers in the cashew-processing industry, we found that absenteeism is driven by several factors:

- tiredness and needing a day to take a rest,
- illness (worker or relative),
- small-business or casual work,
- need to carry out house work,
- lack of money to pay for transport,
- delay in getting to work (gate closes at 6.30am and late workers are not admitted to work),
- losses of relatives.

All these factors are symptoms of low pay and poor working conditions, putting workers in the position of not being able to go to work in the factory. Absenteeism in the

cashew-processing factories in northern Mozambique is also due to tiredness due to heavy work but tends to have a seasonal character because it is linked to the necessity to perform agricultural labour in the rainy season, similarly to forest plantations (Stevano, 2015).

Despite employers' complaints about absenteeism and high turnover, their employment strategy is reliant on the creation of a fluid workforce that shoulders the burden of social reproduction. The lack of regular and stable jobs for the majority of the agro-industry workers and their reliance on an interdependent range of waged and unwaged work affects the quality of production, the levels of productivity and absenteeism. In the prevailing organisation of work, the agro-industries will have to deal with some dilemmas imposed by the system they themselves contribute to keep in place. They either adjust the productive organisation of work or they will have to face absenteeism, workers' resistance through sabotage of production and low productivity of a labour force forced to search complementary work to sustain itself. Alternatively, they mechanise the processes of production, with significant implications for the organisation of work and broader socio-economic structures. For example, it is likely that employers would face increased fixed costs and unemployment would rise, thus intensifying the fragmentation of livelihoods.

### **Conclusions and Challenges**

The current pattern of growth has been unable to create jobs that reduce poverty for the majority and has to be transformed urgently. Poor living and working conditions go beyond the sphere of production in agro-industries, encompassing the socio-economic organisation of households and their livelihoods, which is multi-layered and fragmented. Workers' well-being transcends the lack of jobs or low salary and is affected by the structure of wage and unwaged labour, which workers and their families have to perform to sustain themselves.

Moreover, the establishment and expansion of agro-industries leads to changes in the broader organisation of livelihoods. This encompasses the destruction of the food production base, limiting complementary activities for income and consumption without providing stable job alternatives and also there are questions on environment, biodiversity and health, particularly for forestry plantations in Niassa. The companies began their activities in areas that had access to infrastructure and commercial links - the same areas where smallholder farmers were also most densely established. This affects the organisation of livelihoods of people that used to be dependent on this land to reside or to work or even to obtain food or firewood, some now have to walk long distances or were resettled into less productive areas, thus jeopardising their livelihood base. Besides the high fluctuation of work and informality of jobs, the precarity of life is exacerbated by the increasing costs of social reproduction. The creation of jobs that actually enhance well-being entails not just better working conditions in wage work but a reduction of the social reproduction costs shouldered by the workers.

The transformation of the structure of the economy is needed. It is necessary to change the narrow pattern of growth in Mozambique, which has limited potential for articulation through, for instance, the diversification of productive base, the availability of affordable wage goods

(mainly basic consumer goods and services) that are vital for the sustenance of the workforce, and the public provision of social services. The redistribution of the burden of social reproduction through public provisioning is necessary to improve the quality of life of workers and their families. Failing this, the economy will continue to generate and distribute wealth in a way that is not effective in reducing the disruptions in labour conditions and in poverty, in fact it will reproduce them.

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